S. HRG. 102-856

KF 26.5 I4 1992h

## CTIONED OWNERSHIP OF INDIAN LANDS

### HEARINES 1 9 1993

REFORE THE

# SELECT COMMITTEE ON INDIAN AFFAIRS UNITED STATES SENATE

ONE HUNDRED SECOND CONGRESS

SECOND SESSION

ON

OVERSIGHT HEARING ON LAND THAT IS HELD IN TRUST BY THE UNITED STATES FOR THE BENEFIT OF INDIAN PEOPLE AND THEIR GOVERNMENT

JULY 2, 1992 WASHINGTON, DC



U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1992

59-991

For sale by the U.S. Government Printing Office
Superintendent of Documents, Congressional Sales Office, Washington, DC 20402
ISBN 0-16-039483-X

## Natural Resources Library U.S. Department of the Interior Washington, DC 20240

#### CONTENTS

Statements:	Page
Adamson, Rebecca, President, First Nations Development Institute, Falmouth, VA Black Bear, Ben, Member of the Board, Rosebud Tribal Land Enterprise, Rosebud	19
Signa Indian Tribe Rosebud SD	
Sioux Indian Tribe, Rosebud, SD	38
	19
Duffus III. James. GAO. Director Natural Management Issues	32 4
Duffus III, James, GAO, Director, Natural Management Issues Dupuis, Virgil, Manager, Division of Lands, Confederated Salish and Kootenai	4
THOCS, CIADICAG INGIAN KESEPVALION PARIO MI	41
Orace, Faul, UAO, Assistant Director, Natural Management Issues	41
nayes, Painck, Direcor, Office of Trust and Economic Development, DIA, Donort	7
ment of the interior Washington 11('	10
mouye, non. Daniel A., U.S. Senator from Hawaii Chairman Scient Committee	
On indian Atlairs	1
Dim, Nami yii, Ciuci Adiililisiiaudi Judge, Board of Indian Appeals, Department	
of the interior	15
Minthom, Antone, First Vice President and Chair, Economic Development, Confed-	
erated Indes, Umatilla Indian Reservation Pendelton OR	47
Morrin, Larry, Division Chief, Division of Real Estate Services	10
Murkowski, Hon. Frank H., U.S. Senator from Alaska	3
Sanders, Helen, Member, Quinault Allottee Association, Quinault Indian Reserva-	
tion, Tahaloh, WA.  Steinhoff, Jeffrey C., GAO, Director, Civil Audits, Accounting and Financial Management Division	44
	,
Tovey, Jr., David, J., Chairman, Indian Land Working Group, Confederated Tribes,	6
Uniaitua inulan Keservation ('endicion i ik	24
Waln, Calvin, Secretary, Intertribal Agriculture, Billings, MT	27
g, bally, and a second	21
APPENDIX	
Prepared statements:	
Adamson, Rebecca (with attachments)	138
Diack Bear, Ben (with attachments)	209
COOCH, LIGISC (WILL ALIACHMENIC)	183
Dullus III, James (with attachments)	55
Dupuis, viikii (willi allachmeni)	219
Haves, Fairick	121
Cymi, Raunyn (with attachments	125
	51
Januera, rieten (with attachments)	227
Steinhoff, Jeffrey C. (with attachments)	90
Tovey, Jr., David, J. (with attachments) Waln, Calvin	150
	175

(III)

#### SELECT COMMITTEE ON INDIAN AFFAIRS

DANIEL K. INOUYE, Hawaii, Chairman JOHN McCAIN, Arizona, Vice Chairman

DENNIS DECONCINI, Arizona
QUENTIN N. BURDICK, North Dakota
THOMAS A. DASCHLE, South Dakota
KENT CONRAD, North Dakota
HARRY REID, Nevada
PAUL SIMON, Illinois
DANIEL K. AKAKA, Hawaii
PAUL WELLSTONE, Minnesota

FRANK H. MURKOWSKI, Alaska
THAD COCHRAN, Mississippi
SLADE GORTON, Washington
PETE V. DOMENICI, New Mexico
NANCY LANDON KASSEBAUM, Kansas
DON NICKLES, Oklahoma

PATRICIA M. ZELL, Staff Director/Chief Counsel Daniel N. Lewis, Minority Staff Director

(11)

I would like to advise you that, although I can forego lunch, I have another hearing over which I have to preside, so, keeping that in mind, I hope you can summarize your presentation. But I will read your full statements. I can assure you of that.

Mr. Black Bear.

STATEMENT OF BEN BLACK BEAR, MEMBER OF THE BOARD, ROSEBUD TRIBAL LAND ENTERPRISE, ROSEBUD SIOUX INDIAN TRIBE, ROSEBUD, SD, ACCOMPANIED BY: JAMES HUDSON, EXECUTIVE DIRECTOR; AND FERN REYNOLDS, MEMBER, BOARD OF DIRECTORS, AND STAFF MEMBER OF TRIBAL LAND ENTERPRISE

Mr. BLACK BEAR. Thank you, Mr. Chairman and other Senators

and committee members.

My name is Ben Black Bear, and I am the chairman of the Tribal Land Enterprise Program on the Rosebud Sioux Reservation. I have brought with me two other individuals who are—one is on the board of directors, and the other individual is the executive director of Tribal Land Enterprises.

The CHAIRMAN. Do you want them up there? Why don't you tell

them to come up?

Mr. Black Bear. Mr. James Hudson is the executive director, and Mrs. Fern Reynolds is on the board of directors, as well as a

full-time staff member of Tribal Land Enterprise.

I guess we will submit our written testimony and just, in summa-

ry, state that Tribal Land Enterprise is an organization that was started in 1943 under the rules of the Sioux Tribal Government as

a land management organization.

It has dealt specifically with the problem of land fractionation for close to 50 years. Next year we will be celebrating our 50th year. Throughout that time, we have been dealing specifically with

the problem, itself.

The organization is a tribal organization. Originally it was initiated by the Rosebud Sioux Tribal Council and members of the Bureau of Indian Affairs—particularly the superintendent. When the organization was established, the fractionation problem was already a very big problem at that time, and the organization was specifically established to deal with that particular problem.

We deal with it by offering opportunities for land consolidation. Individual tribal members can consolidate their landholdings through this organization called Tribal Land Enterprise. By joining the organization, becoming members of Tribal Land Enterprise, they can consolidate their landholdings and then prevent further

fractionation of landholdings.

The CHAIRMAN. That is done by tribal law?

Mr. Black Bear. It is done by tribal law. Yes. In fact, the bylaws of Tribal Land Enterprises, approved by the Rosebud Sioux Tribal Council, was also approved by the Bureau of Indian Affairs, the Secretary of the Interior. So all this activity goes on within the trust arena. We are able to offer opportunities for individuals to consolidate their landholdings. At the same time, we are also consolidating tribal landholdings through this organization. In other words, we manage the tribal lands, and the income that we receive from the tribal lands we turn around and use to purchase additional lands, which is mostly allotted lands.

The CHAIRMAN. What about income derived from allotted land,

not tribal land? How do you disburse that income?

Mr. Black Bear. The income from allotted land is still, from this organization's standpoint, still individually owned within the trust arena, so individual allottees still own their land.

The CHAIRMAN. And you are in charge of the disbursement of the

funds?

Mr. Black Bear. No, we are not. We have nothing to do with the activity of the Bureau of Indian Affairs. We are under the tribe. The Chairman. So the BIA still sends a check to the individual

owners?

Mr. Black Bear. That's right. Yes. The BIA still manages the individual allottee's lands. But the way they become members of Tribal Land Enterprise is that they can sell their land to the tribe through Tribal Land Enterprise, and when they do that the process of selling involves receiving a certificate of interest in Tribal Land Enterprise, which makes them members of that organization.

Through that process, they can turn around and receive a land

assignment, tribal land assignment.

The Chairman. So then the income from that would go to you? Mr. Black Bear. No. Once they receive the assignment, the income would go directly back to the individual who has the assignment. So that is how they consolidate their landholdings. So they can have several fractionated interests which they will sell to Tribal Land Enterprise and, in turn, receive certificates which they can use to then receive a tribal land assignment from Tribal Land Enterprise.

And then, once they receive that assignment, it is like it is theirs. It is an assignment to them. They have use of the land, and they receive the income they receive from it. They can either use it, themselves, to gain income running cattle, or whatever, running their own business, or they can lease it through the Bureau.

The CHAIRMAN. The assigned land is still trust land, isn't it?

Mr. Black Bear. It is still trust land. Yes. All this activity takes

place within the trust arena.

So we provide that opportunity to individual tribal members. It is their choice. There are still a lot of individuals on the Rosebud who have allotted lands in fractionation, and that situation still exists. But the opportunity to be able to consolidate those landholdings is there through the Tribal Land Enterprise Program for them.

The CHAIRMAN. About what percentage of the allottees have

joined your enterprise?

Mr. BLACK BEAR. I would say the—

The CHAIRMAN. Most of them?

Mr. BLACK BEAR, A good portion of the

Mr. Black Bear. A good portion of them, I would say. Yes. It is probably almost 50 percent. I think we have some figures in the written testimony here.

Originally, the tribe turned over 12,000 acres, I guess, and we purchased 16,000, which gave us a total of 28,000 acres which Tribal Land Enterprise started with back in 1943. Today we are

managing close to 600,000 acres of land, and there are still about 400,000 acres in allotted status. So those are the figures there.

The CHAIRMAN. And you feel that your process is working?

Mr. Black Bear. Yes. We feel that this is a very successful program. Needless to say, we have—one of the things we have been successful in is that a lot of tribal members who have turned their land in have received consolidated landholdings. We have figures of the number of assignments that we have given out through this Tribal Land Enterprise Program, in addition, of course, to managing tribal lands and continuing to increase the tribal landholdings through this program, as well.

We also, through the certificate of interest, paid dividends, or what we called net earnings, back to the certificate holders, which includes the tribe. So the tribe does derive direct income from

Tribal Land Enterprise through that process.

So it is a very successful program. The only problem is we have inherited, in a way, some of the problems that the Bureau of Indian Affairs has encountered, particularly that of record-keeping. And one of the things that Tribal Land Enterprise does is we purchase land in fractionation.

In other words, if there is a tract of land where there are ten owners and only five of them want to sell their land and the other five do not want to sell it, Tribal Land Enterprise is able to buy out those five people, but that means that we own that land in frac-

tionation with the other owners.

That makes us flexible to keep adding land to the tribal land-holdings. The only problem is, again, we have to keep record of all the owners of that particular piece of land, including ourselves, so we have, to a certain degree, inherited some of the problems that the Bureau has in terms of record-keeping.

The CHAIRMAN. But you have been able to minimize their frac-

tionation problem?

Mr. Black Bear. Considerably on the Rosebud Reservation, yes,

through this program.

So to me it is a successful program. It is within a trust arena, and we have been able to again, like I said, provide all those opportunities to our tribal members, at the same time continuing the increase of the tribal land base, itself.

Just to read three of the objectives of Tribal Land Enterprise: the first one, to effect a plan to remedy the situation of increasing fractionation of ownership interests in allotted lands resulting from probate procedures. That's one of the things that we deal with di-

rectly.

Second objective: To provide a plan to consolidate individual ownership interests in restricted land in furtherance of economic enter-

prises. That is through the land assignment program.

Another objective we have is to provide a simplified process by which an individual may exchange his landholdings for areas adapted to his ambitions for economic enterprise through the flexible use of certificates of interest in Tribal Land Enterprise.

So that is the flexible use of certificates that enables us to buy fractionated interest in land. But, in a sense, when we buy a piece of land from several individuals, if we buy it in fractionated interest, theoretically that just continues. We keep buying additional amounts until we own that whole tract of land.

So there is quite a bit of flexibility there for us to make the pro-

gram work.

The CHAIRMAN. You have indicated that your Tribal Land Institute was subject to the laws of the tribe?

Mr. BLACK BEAR. Yes, that is right. The CHAIRMAN. Approval of the tribe?

Mr. BLACK BEAR. That is right. The CHAIRMAN. And the BIA?

Mr. BLACK BEAR. The Bureau of Indian Affairs.

The CHAIRMAN. How did you establish it? Pursuant to certain laws? I am not aware of the authorizing law. Is there any law?

Mr. Black Bear. Yes. I guess there was special legislation. Like I said, the by-laws of Tribal Land Enterprise had to be approved all the way up to the Secretary of the Interior. Needless to say, all of that has been approved, or it was approved in 1943 when they es-

tablished this organization.

So we are controlled or governed by the title 25 laws and, of course, the tribal laws, themselves. The Indian Reorganization Act governs us. The Indian Reorganization Act established the Rosebud Sioux Tribe as what they referred to as IRA government—Indian reorganization government—as a Federal appropriation and a governing body. It is under that authority that the Tribal Land Enterprise was established.

So Tribal Land Enterprise is not a separate corporation, it is

under the tribe.

The CHAIRMAN. I have been asking these questions because I have been told that your proposal is about the best in the land, so—

Mr. Black Bear. Thank you.

The Chairman [continuing]. We want to study that very careful-

Mr. Black Bear. Thank you, Mr. Chairman. We have encountered quite a bit of the problems that associate with the fractionation problems. Yes. Thank you for saying that.

That concludes my statement, I guess, unless you have additional

auestions.

The CHAIRMAN. We will be writing to you to ask you more detailed questions, if we may.

Mr. BLACK BEAR. Sure. Yes. Thank you.

The CHAIRMAN. And now may I call upon Mr. Dupuis.

STATEMENT OF VIRGIL DUPUIS, MANAGER, DIVISION OF LANDS, CONFEDERATED SALISH & KOOTENAI TRIBES, FLATHEAD INDIAN RESERVATION, PABLO, MT

Mr. Dupuis. Thank you, Mr. Chairman.

The Confederated Salish & Kootenai Tribe of the Flathead Reservation implemented a self-determination contract for management of the Bureau of Indian Affairs' agricultural and real estate services 20 months ago. The tribal council directed the contracting of the program due to the erosion of the services and the need to implement resource management planning on reservation lands.

#### 15--ITMA Recommendations

component of the actualization program must be assistance for owners interested in becoming active and productive users of their assets. For example, the U.S. Department of Agriculture could do far more to assist Indians in becoming farmers and ranchers of their land. As part of the federal government, USDA shares in the trust responsibility and in the failure to meet it. Finding ways to correct this is an appropriate and necessary component of the actualization effort and of an economic development strategy.

5) There are likely many more components that need to be part of the initial kick-off legislation. The Association invites suggestions as well as the active participation of all interested parties in a coalition effort to actualize the trust responsibility, and through it, to enable tribes and Indians to enjoy the economic power and other benefits that should be accruing to a people that together own over 50 million acres of land and have \$3 billion-\$4 billion dollars invested in this country.

PREPARED STATEMENT OF BEN BLACK BEAR

Rosebud Sioux Tribe

Testimony on

#### FRACTIONAL TITLE INTERESTS IN TRUST HELD PROPERTY

submitted to the

United States Senate Select Committee on Indian Affairs

> Oversight Hearings Russel Senate Office Building July 2, 1992

What is a fractionated interest? Fractionated undivided interests can occur quit commonly in any transfer of equity title. The following example is provided for clarification.

A man dies with out a will leaving a spouse and five children. The spouse will receive 2/3 of the estate while each child will receive 1/5 of 1/3 of the estate. One of the married children dies intestate leaving a spouse and seven children. This second generation spouse will receive 2/3 of 1/5 of 1/3 of the original estate while one of the seven children will receive 1/7 of 1/3 of 1/5 of 1/3 equaling 1/315ths of the estate or a fractionated 1/5 of 1/3 equaling 1/315ths of the estate or a fractionated undivided interest of 0.3174603%. With our Indian people and equity title in trust land, this scenario occurs all too often. The salient feature herein is that no individual can lay claim to any specific piece of the estate because that interest is undivided - not made separate from the whole.

Why does Indian land become so fractionated? Fractionated interests in Indian trust land occurs through estate probates, wills giving equal shares to each heir and possibly through out right purchase. Indian people are naturally adverse to preparing wills or other means of conveyance of property in the eventuality of death.

Tribal Land Enterprise, a sub-ordinate organization of the Rosebud Sioux Tribe was established on April 6, 1943 to address the issue of land fractionation. For all of Indian Country,

Tribal governments, the Department of Interior - Bureau of Indian Affairs and County governments the problems of fractionation is becoming monumental in proportions.

Tribal Land Enterprise operates under its' own By-Laws which were adopted and approved by the Tribal Council on April 4, 1943. A few of the Purposes' and Objectives in relation to land fractionation and land consolidation are as follows;

- (3) To effect a plan to remedy the situation of increasing Fractionation of ownership interests in Allotted lands resulting from Probate procedure.
- (4) To provide a plan to consolidate individual ownership interests in Restricted Land in furtherance of economic enterprises.
- (7) To provide a simplified process by which an individual may exchange his land holdings for areas adapted to his ambitions for economic enterprise through the flexible use of certificates of interest in the Tribal Land Enterprise.

Tribal Land Enterprise began its operation in 1943. To get the program going, the Rosebud Sioux Tribe turned over 12,563.40 acres to TLE for management and operation. By November 22, 1944 individuals who conveyed their undivided interests or tracts of land, sold 16,033.44 acres of land to TLE for certificates of interest in TLE. The 16,033.44 acres represented mostly consolidated interests that individuals had. So by November 22, 1944 TLE had a total of 28,596.84 acres more or less, under its' operation. Currently TLE now manages 649,228.59 acres more or less for the Rosebud Sioux Tribe. TLE manages 369,228.59 acres of 100% owned Tribal land, represented by 2,372 tracts of land and the balance of 280,000.00 acres more or less of undivided interests, is represented by 1,455 tracts of allotted lands in which the Tribe holds an undivided interest in. This brings a total of 3,827 tracts of land being managed by Tribal Land Enterprise. There still remains 415,235.95 acres of allotted fractionated acres for the Rosebud Reservation.

TLE currently offers several options to members of the Rosebud Sioux Tribe in reference to the purpose and objectives listed previously, herein.

(3) To effect a plan to remedy the situation of increasing fractionation of ownership interests in Allotted lands resulting from probate procedure.

In reference to this - Although the increase of fractionation seems to go on continuously, TLE throughout their years of operation have been able to select areas of consolidation for the Tribe. Areas selected involved the five (5) counties of the original boundaries of the Rosebud Sioux Reservation. (Todd, Mellette, Tripp, Gregory, Lyman, counties) The Board of Directors of Tribal Land Enterprise would select anywhere from

five (5) - ten (10) tracts of land in each of the five (5) counties. These tracts of land were either individually owned or fractionated. This procedure was used in consolidating the land base for the Tribe.

The Escheat Law that was passed in 1983 and amended on October 30, 1984, effected many individual land owners who owned a 2% or less interest in a tract of land. TLE on the other hand went on record to allow individual land owners to sell, consolidate all their undivided interests of 2% or less, to the Tribe, to eliminate further fractionation. The BIA on the other hand records escheat interests going to the Tribe on the Title Status Reports maintained by the BIA Title Plant in Aberdeen. The income on these escheat interests are kept in a special deposits account maintained by the agency IIM Bank for the Rosebud Sioux Tribe. TLE, however also went on record to pay the heirs of these escheat interests involved in Estates. TLE is currently working on a procedure to pay the heirs of these Estates.

(4) To provide a plan to consolidate individual ownership interests in Restricted land in furtherance of economic enterprise.

TLE's main purpose is to consolidate the land base in the name of the Rosebud Sioux Tribe, therefore TLE purchases tracts of land and fractionated interests on a monthly basis, with income derived from the leasing of lands' under the management of TLE. TLE operates on a Piscal Year Land Management Budget. TLE averages a payout of \$280,000.00 - \$300,000.00. per year which represents 2500.00 - 3500.00 acres consolidated acres. For FY-91, TLE acquired a total of 7373.26 acres of individual owned and fractionated interests in tracts of land with a value of \$735,976.23. These conveyances involved, land consolidations by individuals, land exchanges, negotiated sales, relinquishments of Tribal Assignments and Fee land acquisitions. As stated previously TLE now purchased 369,228.59 acres of individually owned and fractionated interests with 100% ownership for the

For the Fiscal Year 1993 land management budget for TLE, the Realty Department for TLE will propose to complete the purchase of tracts of land where the Tribe currently owns 99% - 75% interest in tracts of land. This will enable TLE to acquire and clear title status reports to the ownership of the Rosebud Sioux Tribe. TLE will continue to purchase interests of 2% or less, continuously.

There is several tracts of land where the Tribe owns 49% interest and there still remains over 200 heirs to these tracts of land.

(7) To provide a simplified process by which and individual may exchange his land holdings for areas adapted to his ambitions for economic enterprise through the flexible use of certificates of interest in the Tribal Land Enterprise. TLE's approach to this is to allow members of the Tribe to consolidate there undivided interests in tracts of land in exchange for a solid tract of land based on comparable values. These individuals receive a TLE Land Assignment on a tract of land under the management of TLE. These individuals can also exchange their land assignments for other tracts of land under the management of TLE. Individuals who receive a TLE Land Assignment must designate a beneficiary to their land assignment, this eliminates fractionation. The undivided interests held by the individual are appraised and the tract of Tribal Land they want an assignment on is also appraised. The individual receives certificates of interest in TLE based on the appraised value of their interests and they apply these certificates to the TLE Land Assignment that they will receive.

Although TLE provides a means of land consolidation for individual Indian people, the out right purchase of land interests is usually the option that is chosen. During the month of July, 1992, TLE will purchase an interest in a tract of land worth 36 cents. The largest interest holder in this tract of land will receive \$189.42. On the other hand, the largest purchase in June, 1992 was \$7,600 for eighty acres of undivided interest. A problem that occurs periodically is that the lease on this land was not prorated such that TLE receives its fair share. TLE should receive or discount the purchase price by 264/365ths of the total lease.

The following is an example of fractionated undivided interests held by actual Indian people on the Rosebud Sioux Reservation. The land is described in part as RS-1778.5 with a total estimated value of \$15,200 for 160 acres of land. The denominator is about 3,541,709,438,712,346,000. This number is "about" because the computer producing this document, under the present configuration, can not produce a large enough number.

		•		Fractional	Lease
	Numerator	Practional	Interest	Value	Income
31846	16,396,802,957,001,600	0.0046296	296296296	70.37	\$2.96
31847	65,587,211,828,006,410	0.0185189	518518519	281.48	\$11.85
31931	92,864,677,121,697,620	0.026220	298059081	398.55	\$16.78
31932	61,909,784,747,798,410	0.017480	198706054	265.70	\$11.19
31933	65,587,211,828,006,410	0.018518	518518519	281.48	\$11.85
31934	10,931,201,971,334,400	0.0030864	197530864		\$1.98
31935	10,931,201,971,334,400	0.0030864	197530864		\$1.98
31984	123,590,902,288,399,600		833333333		\$22.33
31985	18,967,744,734,353,730	0.0053555			\$3.43
31986	10,931,201,971,334,400	0.0030864	197530864		\$1.98
32107	61,909,784,747,798,410	0.017480	198706054		\$11.19
32262	44,151,807,962,342,860		242283951		\$7.98
32263	230,995,859,512,888,100		572664321		541.74
32264	131,174,423,656,012,800	0.0370370			\$23.70
32265	18,739,203,379,430,400	0.0052910			\$3.39
32266	18,739,203,379,430,400	0.0052910			\$3.39
32267	18,739,203,379,430,400	0.0052910			\$3.39
32268	18,739,203,379,430,400	0.0052910			\$3.39

32409	13,151,602,371,761,700	0.0037133487654321	56.44	\$2.38
32410	98.380.817.742.009.620	0.027777777777778	22.22	\$17.78
32554	123,590,902,288,399,600	0.0348958333333333	530.42	\$22.33
32677	2,732,800,492,833,600	0.00077160493827161	11.73	\$0.49
32678	5,465,600,985,667,201	0.0015432098765432	23.46	\$0.99
32679	2,746,464,495,297,768	0.00077546296296296	11.79	\$0.50
32680	2,746,464,495,297,768	0.00077546296296296	11.79	\$0.50
32800	61,909,784,747,798,410	0.017480198706054	265.70	\$11.19
32801	13,151,602,371,761,700	0.0037133487654321	56.44	\$2.38
32870	1,373,232,247,648,884	0.00038773148148148	58.94	\$0.25
34254	18,739,203,379,430,400	0.0052910052910053	80.42	\$3.39
34348	2,746,464,495,297,768	0.00077546296296296	11.79	\$0.50
34349	2,746,464,495,297,768	0.00077546296296296	11.79	\$0.50
34491	2,746,464,495,297,768	0.00077546296296296	11.79	\$0.50
34880	13,211,829,553,070,200	0.0037303538818457	567.01	\$2.39
34881	2,732,800,492,833,600	0.00077160493827161	11.73	50.49
34882	131,174,423,656,012,000	0.037037037037037	56.30	\$23.70
34883	13,117,442,365,601,200	0.0037037037037037	56.30	52.37
34884	13,117,442,365,601,200	0.0037037037037037	56.30	\$2.37
		0.0037037037037037	56.30	52.37
34885	13,117,442,365,601,200	0.0031031031031031	30.30	32.37

0.44034834243364 \$6,349.99

The smallest portion of land is approximately 52 square feet in size, however, the land owner can not physically describe which 52 square feet he/she owns.

The casual reader can readily see the immense accounting problem required of the BIA in the performance of their trust responsibility in lease fee distributions and title work.

As stated earlier, Tribal Land Enterprise has been addressing the land fractionation problem for almost fifty years. Our progress to date can best be stated as possibly "maintaining the status quo." We have put forth this effort using TLE generated funds only (i.e. no federal funds are involved) with the exception of eight loans, totaling \$9.0 million, from FmHA which we are currently repaying (see attached statement). Our repayment record is unblemished. The two approaches to arrest the fractionation problem are consolidation of undivided interests in exchange for a single, contiguous tract of land and outright purchase of fractionated interests. During Fiscal Year '92, TLE spent \$1.2 million dollars in this effort. The impediments to our progress are many and varied, however, they can be summarized by:

- a) inadequate automated information systems and data systems;
  b) the BIA's inability to respond to these automated
- information and data needs;
- c) the BIA's inability to respond to our lease receivable information needs;
- d) timely land title transactions as related to allottee lease distributions;
- mortgage transfers within the FmHA structure;
- f) timely response for BIA authorized land appraisals;
- g) the inordinate amount of time to re-establish Indian land to trust status;

- h) timely completion and/or adjustments of lease contracts;
- i) inadequate conservation measures for leased farm and grazing land; and finally,
- j) a general lack of communication and support from the local agency BIA.

Tribal Land Enterprise-Rosebud Sioux Tribe request the Senate Select Committee to consider the following as a viable means toward the reduction of fractionated undivided interests in trust lands on/or near reservations.

An FmHA Loan Consolidation and Write-Down for the Rosebud Sioux Tribe and other loan servicing mechanisms for tribes in general. (Please see attached proposal "FmHA LOAN CONSOLIDATION & WRITE-DOWN" - An Executive Summary) This will allow:

- a) an increase in funds to purchase fractionated interests;
- b) reduce BIA land title transactions;
- reduce unnecessary, FmHA ministerial functions in the process of granting TLE Land Assignments;
- d) reduce the accounting problems associated with fractionation; and,
- e) provide a funding mechanism for the Rosebud Sioux Tribe and other tribes to attack the fractionation problem as well as providing a means for the United States Government to recoup their investment in Indian affairs.

Provide Bureau of Indian Affairs land ownership records as maintained in the LRIS (land records information system) and other automated information and data sources as applicable. A well designed data system is the basis for any successful program and TLE's consolidation efforts are not immune. Our only access to allottee land ownership records is through our copy of the 1990 Title Status Reports. Title status requests to the BIA can be done but only for a single tract of land and not on an allottee basis. With an adequate data system of land records, TLE can:

- a) (could have) provide(d) these Senate hearings with specific and accurate statistics on land fractionation problems on the Rosebud Sioux Reservation;
- b) allow TLE to search for probable candidates for land consolidations for TLE Land Assignments;
- c) search for potential escheat interests and purchase or consolidate those interests appropriately;
- d) develop a long range purchasing plan to best suit the Tribe as well as individual allottees;
- e) provide accurate and timely data for BIA leasing, probate and realty functions; and among other things
- f) provide a portable data system to other interested tribes.

Provide additional funding for the accelerated expansion of Tribal Land Enterprise functions, systems and services. As mentioned earlier, TLE uses its own financial resources in the design, development and implementation (specification, purchase and maintenance of electronic data processing equipment and

software) of our current data system. We are up-grading our capabilities on a daily basis, constrained however, by the availability of budgeted funds.

We, the Board of Directors of Tribal Land Enterprise, wish to thank you Senator Inouye and the other members of the United States Senate Select Committee on Indian Affairs for your patience and understanding of our concerns and we sincerely hope that you and the United States Government can provide the necessary means to assist in the accomplishment our goals.

We Respectfully Are:

Ben Black Bear, Jr, Chairman Tribal Land Enterprise

Tribal Land Enterprise Rosebud Sioux Tribe Floyd Reynolds Vice-Chairman Tribal Land Enterprise Rosebud Sioux Tribe

Fern Reynolds Secretary Tribal Land Enterprise Rosebud Sioux Tribe Ollie Pretty Bird Board Member Tribal Land Enterprise Rosebud Sioux Tribe

William Kindle Board Member Tribal Land Enterprise Rosebud Sioux Tribe Ed Farmer, Sr.
Board Member
Tribal Land Enterprise
Rosebud Sioux Tribe

Alex Lunderman
Board Member
Tribal Land Enterprise
Rosebud Sioux Tribe

James Vincent Hudson Executive Director Tribal Land Enterprise Rosebud Sioux Tribe

Attachment: A Proposal for
FmHA LOAN CONSOLIDATION & WRITE-DOWN
Executive Summary